



Corporation Tax Act 2010

2010 CHAPTER 4

[^{F1}PART 8ZB

TRANSACTIONS IN UK LAND

Amounts treated as profits of a trade

[^{F1}356OB Disposals of land in the United Kingdom

- (1) Section 356OC(1) applies (subject to subsection (3) of that section) if—
 - (a) a person within subsection (2)(a), (b) or (c) realises a profit or gain from a disposal of any land in the United Kingdom, and
 - (b) any of conditions A to D is met in relation to the land.
- (2) The persons referred to in subsection (1) are—
 - (a) the person acquiring, holding or developing the land,
 - (b) a person who is associated with the person in paragraph (a) at a relevant time, and
 - (c) a person who is a party to, or concerned in, an arrangement within subsection (3).
- (3) An arrangement is within this subsection if—
 - (a) it is effected with respect to all or part of the land, and
 - (b) it enables a profit or gain to be realised—
 - (i) by any indirect method, or
 - (ii) by any series of transactions.
- (4) Condition A is that the main purpose, or one of the main purposes, of acquiring the land was to realise a profit or gain from disposing of the land.
- (5) Condition B is that the main purpose, or one of the main purposes, of acquiring any property deriving its value from the land was to realise a profit or gain from disposing of the land.

Changes to legislation: There are currently no known outstanding effects for the Corporation Tax Act 2010, Section 356OB. (See end of Document for details)

- (6) Condition C is that the land is held as trading stock.
- (7) Condition D is that (in a case where the land has been developed) the main purpose, or one of the main purposes, of developing the land was to realise a profit or gain from disposing of the land when developed.
- (8) In this section “relevant time” means any time in the period beginning when the activities of the project begin and ending 6 months after the disposal mentioned in subsection (1).
- (9) In this section “the project” means all activities carried out for any of the following purposes—
 - (a) the purposes of dealing in or developing the land, and
 - (b) any other purposes mentioned in Conditions A to D.
- (10) For the purposes of this section a person (“A”) is associated with another person (“B”) if—
 - (a) A is connected with B by virtue of any of subsections (5) to (7) of section 1122 (read in accordance with section 1123), or
 - (b) A is related to B (see section 356OT).]

Textual Amendments

- F1** Pt. 8ZB inserted (with effect in accordance with s. 81 of the amending Act and also with effect in accordance with [Finance \(No. 2\) Act 2017 \(c. 32\)](#), s. 39(1)(2)) by [Finance Act 2016 \(c. 24\)](#), **s. 77(1)**

Changes to legislation:

There are currently no known outstanding effects for the Corporation Tax Act 2010, Section 356OB.